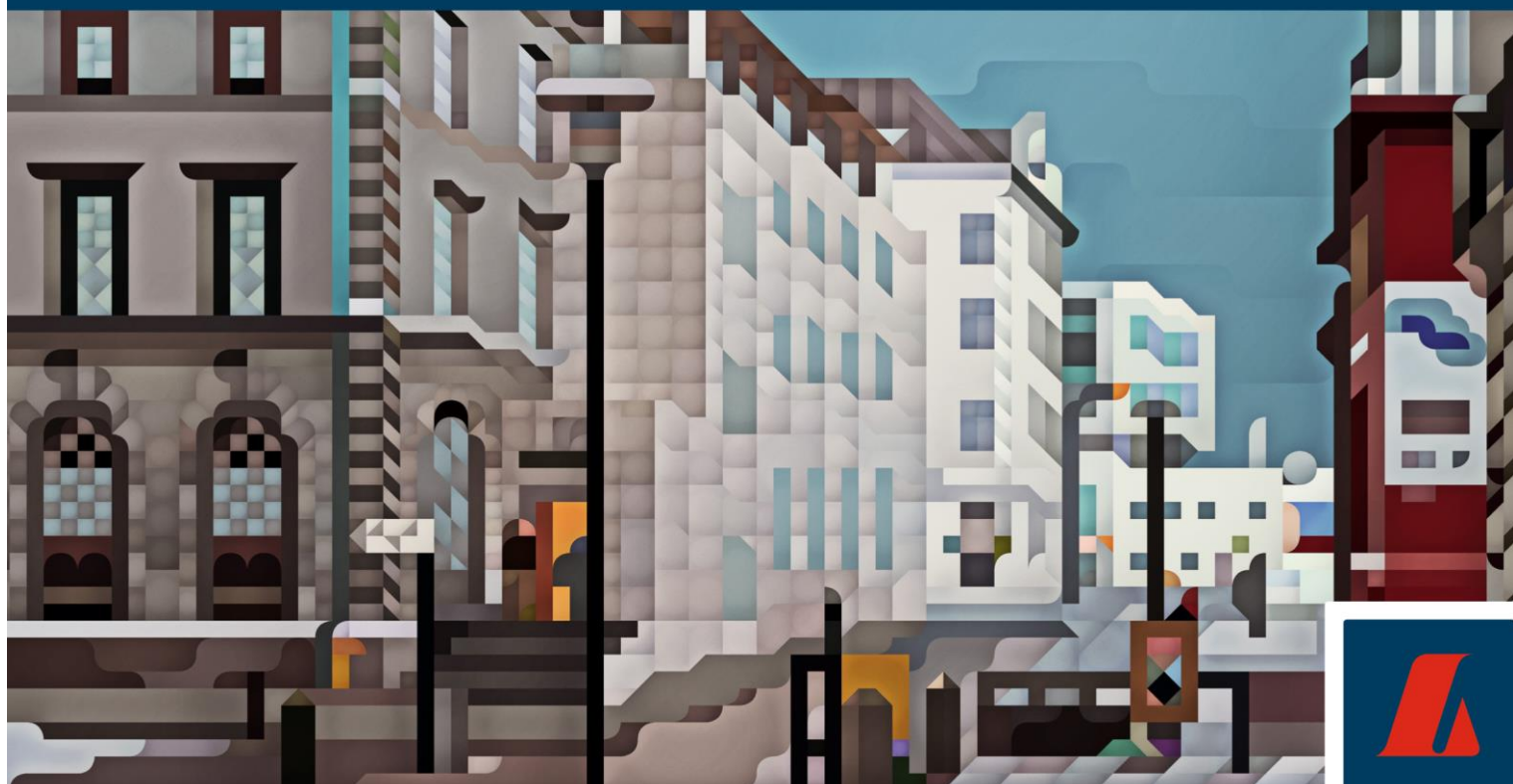

Cover Pool Information

31.07.2019

Covered Bond



Landsbankinn Covered Bonds report



Report date: 31/07/2019

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	124,225	55,203	179,427
Average Loan Balance	16	13	15
No. of Loans	7,691	4,372	12,063
No. of Borrowers	6,477	3,837	10,314
No. of Properties	6,431	3,807	10,238
WA LTV	54%	46%	51%
WA Seasoning (Years)	4.53	2.99	4.06
WA Remaining terms (Years)	31.86	28.99	30.98
WA Interest Rate	3.53%	5.84%	4.24%

*Indexed mortgage linked to the consumer price index in Iceland as published by statistic Iceland (Hagstofa Íslands: www.hagstofa.is).

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	8,718	5%	1,529	13%
20-30	14,497	8%	1,309	11%
30-40	23,293	13%	1,634	14%
40-50	27,805	15%	1,819	15%
50-60	39,014	22%	2,371	20%
60-70	42,913	24%	2,304	19%
70-80	23,187	13%	1,097	9%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	179,427	100%	12,063	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	69,106	39%	4,305	36%
Höfuðborgarsvæðið	57,906	32%	3,317	27%
Norðurland eystra	13,853	8%	1,113	9%
Suðurland	11,626	6%	986	8%
Suðurnes	14,506	8%	1,085	9%
Vesturland	6,392	4%	532	4%
Vestfirðir	1,430	1%	220	2%
Austurland	3,157	2%	359	3%
Norðurland vestra	1,453	1%	146	1%
Total	179,427	100%	12,063	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	179,318	100%	12,050	100%
Other	109	0%	13	0%
Total	179,427	100%	12,063	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	176,509	98%	11,915	99%
1-30	1,360	1%	69	1%
31-60	1,259	1%	65	1%
61-90	299	0%	14	0%
More than 90	0	0%	0	0%
Total	179,427	100%	12,063	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	98,171	55%	5,553	46%
3-6	50,170	28%	3,954	33%
6-9	9,884	6%	923	8%
9-12	1,630	1%	143	1%
more than 12	19,572	11%	1,490	12%
Total	179,427	100%	12,063	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	405	0%	195	2%
5-10	2,228	1%	544	5%
10-20	19,373	11%	2,666	22%
20-30	50,568	28%	3,133	26%
more than 30	106,853	60%	5,525	46%
Total	179,427	100%	12,063	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	137,454	77%	10,977	91%
30-60	40,491	23%	1,064	9%
60-90	1,482	1%	22	0%
more than 90	0	0%	0	0%
Total	179,427	100%	12,063	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1,250	1%	104	1%
5Y interest reset	4,828	3%	401	3%
Fixed	57,788	32%	3,594	30%
Floating	115,561	64%	7,964	66%
Total	179,427	100%	12,063	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	179,427
Cover Pool Eligible for Calculation - Number of Mortgages	12,063
Cash account linked to Cover Pool	2998
Total Issuance	146,341
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	25%

Comments from Risk Management

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of financial assets and liabilities to various interest rate scenarios. The following table shows the current results from the net present value test as well as the stress tests that are run weekly on the cover pool. The table shows both the net present value for assets and liabilities as well as the ratio of the net present value to the nominal value of assets and liabilities. All numbers are in ISK millions.

"Nominal" is the original value. The net present value test is labelled „Base“ while the stress tests, on the interest rate level (100 bp) and consumer price index (50 bp) are labelled by the name of the risk factor that is being changed and the direction in which it is being moved. Risk factor adverse behavior is based on the "Base" net present value test and takes into account any netting possibilities.

Stress Test: Interest Rate Sensitivity

Risk factor	NPV		NPV ratio		Diff
	Assets	Liabilities	Assets	Liabilities	
Nominal	178,932	135,480	100.00%	100.00%	43,452
Base	192,318	146,341	107.48%	108.02%	45,977
Risk free interest rate - downward shift	196,987	153,212	110.09%	113.09%	43,774
Risk free interest rate - upward shift	188,237	139,961	105.20%	103.31%	48,276
Adverse behavior	175,892	146,341	98.30%	108.02%	29,551
Consumer Price index - downward shift	191,643	145,802	107.10%	107.62%	45,841
Consumer Price index - upward shift	192,993	146,881	107.86%	108.41%	46,112

Planned frequency for updates of this summary: 4 times a year.

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Contact:

Investor Relations: [ir\[at\]landsbankinn.is](mailto:ir@landsbankinn.is)